

again I want to say that I visited at great length with the PSC. They are pleased with the quality of the help they have. Their only concern is with quantity, the fact that they may need additional quantity. They readily acknowledge the delays that have taken place in the past on rate application increases. They contend that they can improve that tremendously with some additional staff. I have met some of that staff. I am impressed with it. I want to point out that I believe you have been...oh, yes, I want to point out also the Public Service Commission has seen this bill and they approve of it. Now I would say several of the commissioners...I do not have any Public Service Commissioner who has said that they oppose it. I want to point out that there is an option that is available in some areas called measured service. Under 835, that is a proposal which is likely and very likely, very possibly will be universally applied. All of us know that in many communities, particularly the small communities, the telephone is not just a convenience. It is, number one, a necessity. Number two, it is a manner, a manner whereby we check upon the aged, the handicapped. It is also, I would guess you would call it psychological reassurance. Many of the elderly people in my community use the telephone regularly on a lengthy basis to communicate with others because they do not have other transportation systems available. Under the present proposal, under the present system, that is not an expensive type of service, but if you were to provide measured service to those local communities and charge for that service on that basis, it could be extremely expensive. I want to point out, up in O'Neill under the impact of LB 835, the residential flat rate would go from the current rate of 13.69, in five years it could go to 26.19 per month. I would like to ask Senator DeCamp on his own time to answer my question, what will be the local rate for residential service in five years in Neligh, Nebraska under LB 835, and I ask you very frankly do you believe the people in Neligh, Nebraska can afford that? I would suggest that most of the comments we have heard have been relegated toward the concept of rate increase, but when we were beginning the study, we were sold, we want to be able to be competitive. We want to be able to lower rates. The commission has told me that they have had minimal interest, minimal interest in any application to lower rates. I want to call that to your attention and I will be glad to answer any questions later on again.

PRESIDENT: The Chair recognizes Senator Hoagland.

SENATOR HOAGLAND: I would like to oppose Senator Schmit's